

West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:**

Joseph Hexter (202) 267-4606, Office of Rulemaking, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on December 30, 2015.

**Lirio Liu,**

*Director, Office of Rulemaking.*

**Petition for Exemption**

*Docket No.:* FAA-2015-3273.

*Petitioner:* Daedalus Drone Services, LLC.

*Section(s) of 14 CFR Affected:* 21 subpart H, 45.23(b), 61.113(a), 91.103, 91.109(a), 91.119(b), 91.119(c), 91.121, 91.151(a), 91.203(a) & (b), 91.405(a), 91.409(a)(2), 91.417(a)&(b), 91.7(a) & (b), and 91.9(b)(2).

*Description of Relief Sought:* Requesting to allow Daedalus Drone Services, LLC to operate small unmanned aircraft systems (sUAS) commercially in airspace regulated by the Federal Aviation Administration (FAA) for the purposes of; aerial photography/videography/surveying, structural/utility inspections/patrolling, real estate marketing/surveying, remote sensing, precision agriculture, public entity support operations, construction site inspection and monitoring, wildlife and forestry monitoring, education and research operations, flare stack inspections, and other flight operations that could be performed safely and more cost effectively with the use of sUAS, at low altitude, with the United States national airspace system as compared to a manned aircraft.

Petitioner requests no restrictions with regard to minimum distances from structures, vessels, and vehicles, and a 200-foot minimum distance from persons not associated with the sUAS operation be granted. Additionally, the petitioner requests no minimum distance with regard to crew for the operation, and operations from a moving platform.

[FR Doc. 2015-33259 Filed 1-5-16; 8:45 am]

**BILLING CODE 4910-13-P**

**DEPARTMENT OF TRANSPORTATION**

**Maritime Administration**

**Funding Availability for Small Shipyard Grant Program; Application Deadline**

**AGENCY:** Maritime Administration, Department of Transportation.

**ACTION:** Notice of funding availability.

**SUMMARY:** Under the Small Shipyard Grant Program, there is currently \$4,900,000 available for grants for capital and related improvements to qualified shipyard facilities that will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration. This notice announces the intention of the Maritime Administration to provide grants to small shipyards. Catalog of Federal Domestic Assistance Number: 20.814. Potential applicants are advised that it is expected, based on past experience, that the number of applications will far exceed the funds available and that only a small percentage of applications will be funded. It is anticipated that about 5-10 applications will be selected for funding with an average grant amount of about \$1 million.

**DATES:** The period for submitting grant applications commenced with the enactment of the Consolidated Appropriations Act, 2016, on December 18, 2015. Applications must be received by the Maritime Administration by 5 p.m. EST on February 16, 2016. Applications received later than this time will not be considered. The Maritime Administration intends to award grants no later than April 18, 2016.

**ADDRESSES:** Grant Applications should be sent to the Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Avenue SE., Washington, DC 20590. Only applicants who comply with all submission requirements described in this Notice will be eligible for award.

**FOR FURTHER INFORMATION CONTACT:** For further information concerning this notice, please contact David M. Heller, Director, Office of Shipyards and Marine Engineering, Maritime Administration, Room W21-318, 1200 New Jersey Ave. SE., Washington, DC 20590; phone: (202) 366-5737; or fax: (202) 366-6988.

**SUPPLEMENTARY INFORMATION:** Grants under the Maritime Administration's Small Shipyard Grant Program may not be used to construct buildings or other physical facilities or to acquire land

unless such use is specifically approved by the Maritime Administration as being consistent with, and supplemental to, capital and related infrastructure improvements. Grant funds may also be used for maritime training programs to foster technical skills and operational productivity in communities, the economies of which are related to or dependent upon the maritime industry. Grants for such training programs may only be awarded to "Eligible Applicants" as described below, but training programs can be established through vendors to such applicants.

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**A. Program Description**

The Small Shipyard Grant program was established under Section 3508(a) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), codified at 46 U.S.C. 54101. The statute authorizes the Maritime Administrator to provide assistance in the form of grants to make capital and related improvements in small shipyards located in or near maritime communities and to provide training for workers in communities whose economies are related to the maritime industry. The Consolidated Appropriations Act, 2016, appropriated \$5,000,000 to the Small Shipyard Grant program to include administrative expenses. The purpose of the program is to foster efficiency, competitive operations, and quality ship construction, repair, and reconfiguration in small shipyards across the United States. The program also seeks to foster projects that would be effective in fostering employee skills and enhancing productivity in communities whose economies are related to or dependent upon the maritime industry.

**B. Federal Award Information**

Under the Small Shipyard Grant program, there is currently \$4,900,000 available for grants for capital and related improvements to qualified shipyard facilities that will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration and for training projects that would be effective in fostering employee skills and enhancing productivity. The Maritime Administration intends to award the full amount of the available

funding through grants to the extent that there are worthy applications. No more than 25 percent of the funds available will be awarded to shipyard facilities in one geographic location that have more than 600 production employees. The Maritime Administration will seek to obtain the maximum benefit from the available funding by awarding grants to as many of the most worthy projects as possible. The Maritime Administration may partially fund applications by selecting parts of the total project. The start date and period of performance for each award will depend on the specific project and must be agreed to by the Maritime Administration.

### C. Eligibility Information

To be selected for a Small Shipyard Grant, an applicant must be an Eligible Applicant and the project must be an Eligible Project.

#### 1. Eligible Applicants

Section 54101, Title 46, United States Code, provides that shipyards can apply for grants. The shipyard facility for which a grant is sought must be in a single geographical location, located in or near a maritime community, and may not have more than 1200 production employees. The applicant must be the operating company of the shipyard facility. The shipyard facility must construct, repair, or reconfigure vessels 40 feet in length or greater for commercial or government use, or construct, repair, or reconfigure vessels 100 feet in length or greater for non-commercial vessels.

#### 2. Cost Sharing or Matching

The Federal funds for any eligible project will not exceed 75 percent of the total cost of such project. The remaining portion of the cost shall be paid in funds from or on behalf of the recipient. The applicant is required to submit detailed financial statements and supporting documentation demonstrating how and when such matching requirement is proposed to be funded as described below. The recipient's entire matching requirement must be paid prior to payment of any Federal funds for the project. However, for good cause shown, the Maritime Administrator may waive the matching requirement in whole or in part, if the Administrator determines that a proposed project merits support and cannot be undertaken without a higher percentage of Federal financial assistance.

#### 3. Eligible Projects

Eligible projects include: (1) Capital and related improvement projects that will be effective in fostering efficiency,

competitive operations, and quality ship construction, repair, and reconfiguration; and (2) training projects that will be effective in fostering employee skills and enhancing productivity. For capital improvement projects, all items proposed for funding must be new and to be owned by the applicant. For both capital improvement and training projects, all project costs, including the recipient's share, must be incurred after the date of the grant agreement.

### D. Application and Submission Information

#### 1. Address for Application

Applications must be filed on standard form SF-424, which is available on the Maritime Administration's Web site at [www.marad.dot.gov](http://www.marad.dot.gov).

#### 2. Content and Form of Application Submission

Although the form is available electronically, the application must be filed in hard copy as indicated below due to the amount of information requested. Applicants must submit an original paper copy of the application, one additional paper copy of the application, and two CDs each containing a complete electronic version of the application in PDF format to: Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Ave. SE., Washington, DC 20590. A shipyard facility in a single geographic location applying for multiple projects must do so in a single application. The application for a grant must include all of the following information as an addendum to form SF-424. The information should be organized in sections as described below:

*Section 1:* A description of the shipyard including (a) Location of the shipyard; (b) a description of the shipyard facilities; (c) years in operation; (d) ownership; (e) customer base; (f) current order book including type of work; (g) vessels delivered (or major projects) over last 5 years; and (h) Web site address, if any.

*Section 2:* For each project proposed for funding the following must be included:

(a) A comprehensive detailed description of the project, including a statement of whether the project will replace existing equipment, and if so, the disposition of the replaced equipment.

(b) A description of the need for the project in relation to shipyard

operations and business plan and an explanation of how the project will fulfill this need.

(c) A quantitative analysis demonstrating how the project will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, or reconfiguration (for capital improvement projects) or how the project will be effective in fostering employee skills and enhancing productivity (for training projects). The analysis should quantify the benefits of the projects in terms of man-hours saved, dollars saved, percentages, or other meaningful metrics. The methodology of the analysis should be explained with assumptions used identified and justified.

(d) A detailed methodology and timeline for implementing the project.

(e) A detailed itemization of the cost of the project together with supporting documentation, including current vendor quotes and estimates of installation costs.

(f) A statement explaining if any elements of the project require action under the National Environmental Policy Act (42 U.S.C. 4321, *et seq.*) or require any licenses or permits.

(g) A statement describing whether the project will be located in, or will affect, a floodplain. If so, the statement should explain whether a practicable alternate siting location exists which would not be located in, or affect, the floodplain. If alternate siting locations for the project are not practicable, the statement should describe the factors that prevent alternate siting and identify, as appropriate, ways in which the project may be modified to mitigate the long- and short-term adverse impacts associated with the occupancy and modification of a floodplain or the direct or indirect support of floodplain development.

Items 2(a) thru 2(g) should be repeated, in order, for each separate project included in the application.

*Section 3:* A table with a prioritized list of projects and total cost and Government portion (in dollars) for each.

*Section 4:* A description of any existing programs or arrangements, if any, which will be used to supplement or leverage the federal grant assistance.

*Section 5:* Special economic circumstances and conditions, if any, of the maritime community in which the shipyard is located (beyond that which is reflected in the unemployment rate of the county in which the shipyard is located and whether that county is in an economically distressed area, as defined by 42 U.S.C. 3161).

*Section 6:* Shipyard company officer's certification of each of the following requirements:

(a) That the shipyard facility for which a grant is sought is located in a single geographical location in or near a maritime community and (i) the shipyard facility has no more than 600 production employees, or (ii) the shipyard facility has more than 600 production employees, but less than 1200 production employees (the shipyard officer must certify to one or the other of (i) or (ii));

(b) That the applicant has the authority to carry out the proposed project; and

(c) In accordance with the Department of Transportation's regulation restricting lobbying, 49 CFR part 20, that the applicant has not, and will not, make any prohibited payments out of the requested grant. Certifications are not required to be notarized.

*Section 7:* Unique identifier of shipyard's parent company (when applicable): Data Universal Numbering System (DUNS + 4 number) (when applicable).

*Section 8:* The most recent year-end audited, reviewed or compiled financial statements, prepared by a certified public accountant (CPA), according to U.S. generally accepted accounting principles (not tax-based accounting financial statements). If CPA prepared financial statements are not available, provide the most recent financial statement for the entity. Do not provide tax returns.

*Section 9:* Statement regarding the relationship between applicants and any parents, subsidiaries or affiliates, if any such entity is going to provide a portion of the match.

*Section 10:* Evidence documenting applicant's ability to make proposed matching requirement (loan agreement, commitment from investors, cash on balance sheet, etc.) and in the times outlined in 2(d) above.

*Section 11:* Pro-forma financial statements reflecting (a) financial condition period; (b) effect on balance sheet of grant and matching funds (*i.e.* a decrease in cash or increase in debt, additional equity and an increase in fixed assets); and (c) impact on company's projected financial condition (balance sheet) of completion of project, showing that company will have sufficient financial resources to remain in business.

*Section 12:* Statement whether during the past five years, the applicant or any predecessor or related company has been in bankruptcy or in reorganization under Chapter 11 of the Bankruptcy Code, or in any insolvency or

reorganization proceedings, and whether any substantial property of the applicant or any predecessor or related company has been acquired in any such proceeding or has been subject to foreclosure or receivership during such period. If so, give details.

Additional information may be requested as deemed necessary by the Maritime Administration in order to facilitate and complete its review of the application. If such information is not provided, the Maritime Administration may deem the application incomplete and cease processing it.

### *3. Unique Entity Identifier and System for Award Management (SAM)*

The Maritime Administration may not make a Small Shipyard Grant Award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements. Each applicant must be registered in SAM before submitting its application, provide a valid unique entity identifier number in its application, and maintain an active SAM registration with current information throughout the period of the award. Applicants may register with the SAM at [www.SAM.gov](http://www.SAM.gov). If an applicant has not fully complied with the requirements by the submission deadline, the application will not be considered.

### *4. Submission Dates and Times*

The period for submitting grant applications commenced with the enactment of the Consolidated Appropriations Act, 2016, on December 18, 2015. Applications must be received by the Maritime Administration by 5 p.m. EST on February 16, 2016. Applications received later than this time will not be considered. The Maritime Administration encourages applicants to submit applications using a carrier and method that will provide proof and time of delivery. The Maritime Administration intends to award grants no later than April 18, 2016.

### *5. Funding Restrictions*

Grants under the Maritime Administration's Small Shipyard Grants Program may not be used to construct buildings or other physical facilities or to acquire land unless such use is specifically approved by the Maritime Administration as being consistent with, and supplemental to, capital and related infrastructure improvements.

### *6. Other Submission Requirements*

Applicants must submit an original paper copy of the application, one additional paper copy of the

application, and two compact discs (CDs) each containing a complete electronic version of the application in PDF format to: Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Ave. SE., Washington, DC 20590.

## **E. Application Review**

### *1. Selection Criteria*

This section specifies the criteria that Maritime Administration will use to evaluate and award applications for Small Shipyard grants. The criteria incorporate the statutory eligibility requirements for this program, which are specified in this notice as relevant. There are two categories of selection criteria, "Primary Selection Criteria" and "Secondary Selection Criteria." Within each relevant selection criteria, applicants are encouraged to present in measurable terms how the Small Shipyard Grant will lead to transformative change(s) in their maritime community.

i. *Primary Selection Criteria*—Consistent with the requirements of 46 U.S.C. 54101(b)(1), the Maritime Administration will evaluate the applications on the basis of how effective the project will be in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration (for capital improvement projects) or how effective the project will be in fostering employee skills and enhancing productivity (for training projects).

ii. *Secondary Selection Criteria:*  
(a) *Project Need:* The overall need for the project in relation to shipyard operations and business plans, with emphasis on projects that impact existing operations and/or product lines rather than expanding the capabilities of the applicant into new capabilities or product lines.

(b) *Timing:* Project commencement timing and the amount of time required for completion.

(c) *Environmental Impact:* Whether any project elements require action under the National Environmental Policy Act (42 U.S.C. 4321, *et seq.*), including those requiring waterside improvements.

(d) *Cost Sharing:* State, local, or private fiscal contribution toward the project as compared to the overall Federal share of project costs and the existence of any existing programs or arrangements that may be available to leverage the Federal share.

(e) *Demonstrated Financial Capability:* Evidence of the applicant's economic ability to meet its stated share of project costs.

(f) County Economics: The unemployment rate of the county in which the applicant is located, and whether that county is an economically-distressed area.

(g) Special Economic Circumstances: Special economic circumstances and conditions of the maritime community in which the shipyard is located.

(h) Geography: The desire for geographic diversity in grant recipients.

## 2. Review and Selection Process

The Maritime Administration reviews all eligible applications received before the deadline. The Small Shipyard Grant review and selection process consists of three phases: Technical Review, Senior Review, and Final Selection. In the technical review phase, a Review Panel made up of technical experts, including naval architects and engineers from the Maritime Administration's Office of Shipyards and Marine Engineering will review all timely applications. Additional input may be provided to the Review Panel on economic issues by the Office of Financial Approvals, on environmental issues by the Office of Environment, and on legal issues by the Office of Chief Counsel. The Review Panel will assign a rating of "Highly Recommended," "Recommended," or "Not Recommended" based on how well the applications align with the selection criteria.

In the second review phase, the Senior Review Team, which is led by the Maritime Administrator, will consider all applications that were rated as Recommended or Highly Recommended, based upon the input of the Review Panel. The Senior Review Team will determine which projects to advance to Secretary as Highly Rated. In the third phase, the Secretary selects from the Highly Rated projects for final award.

## F. Federal Award Administration

### 1. Federal Award Notices

Following the evaluation outlined in Section E, the Maritime Administration will announce awarded projects by posting a list of selected projects at [www.marad.dot.gov/ships-and-shipping/small-shipyard-grants](http://www.marad.dot.gov/ships-and-shipping/small-shipyard-grants). Following the announcement, the Maritime Administration will contact the point of contact listed in the SF-424 to initiate development of the grant agreement.

### 2. Administrative and National Policy Requirements

All awards must be administered pursuant to the Uniform Administrative Requirements, Cost Principles and

Audit Requirements for Federal Awards found in 2 CFR part 200, as adopted by the Department of Transportation at 2 CFR part 1201. Additionally, applicable Federal laws, rules, and regulations of the Maritime Administration will apply to the projects that receive Small Shipyard Grant Awards.

Federal wage rate requirements included in Subchapter IV of Chapter 31 of Title 40, United States Code, apply to all projects receiving funds under this program, and apply to all parts of the project, whether funded with Small Shipyard Grant funds, other Federal funds, or non-Federal funds.

## 3. Reporting

Each applicant selected for a Small Shipyard capital or training grant will be required to work with the Maritime Administration on the development and implementation of a plan to collect information and report on the project's performance with respect to the relevant long-term outcomes that are expected to be achieved through the capital project or training. Performance indicators will not include formal goals or targets, but will require analysis of post-project outcomes, which will inform the Small Shipyard Grant program in working towards best practices, programmatic performance measures, and future decision-making guidelines.

## G. Federal Awarding Agency Contacts

For further information concerning this notice please contact David M. Heller, Director, Office of Shipyards and Marine Engineering, Maritime Administration, Room W21-318, 1200 New Jersey Ave. SE., Washington, DC 20590; phone: (202) 366-5737; or fax: (202) 366-6988. To ensure applicants receive accurate information about eligibility or the program, you are encouraged to contact the Maritime Administration directly, rather than through intermediaries or third parties, with questions.

## H. Other Information

All information submitted as part of or in support of any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the application includes information you consider to be a trade secret or confidential commercial or financial information, you should do the following: (1) Note on the front cover that the submission "Contains Confidential Business Information (CBI);" (2) mark each affected page "CBI;" and (3) highlight or otherwise denote the CBI portions. The Maritime

Administration protects such information from disclosure to the extent allowed under applicable law. In the event the Maritime Administration receives a Freedom of Information Act (FOIA) request for the information, the Maritime Administration will follow the procedures described in the Department of Transportation FOIA regulations at 49 CFR 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

**Authority:** 46 U.S.C. 54101 and the Consolidated Appropriations Act, 2016, Public Law 114-113.

Dated: December 31, 2015.

By Order of the Maritime Administrator:

**T. Mitchell Hudson, Jr.,**

*Secretary, Maritime Administration.*

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**BILLING CODE 4910-81-P**

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## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### Proposed Collection; Comment Request for Notice 2009-52

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Election of Investment Tax Credit in Lieu of Production Tax Credit; Coordination With Department of Treasury Grants for Specified Energy Property in Lieu of Tax Credits.

**DATES:** Written comments should be received on or before March 7, 2016 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Michael Joplin, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the form and instructions should be directed to Kerry Dennis, at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the Internet at [Kerry.Dennis@irs.gov](mailto:Kerry.Dennis@irs.gov).